

# HOWARD UNIVERSITY

SCHOOL OF LAW

August 2, 1996

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William F. Caton, Acting Secretary  
Federal Communications Commission  
1919 M Street, N.W. Room 222  
Washington, D.C. 20554

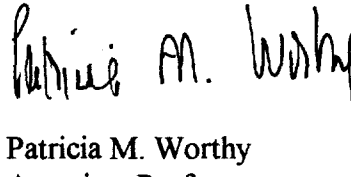
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**Re: Federal -State Joint Board on  
Universal Service -- CC Docket  
No. 96-45**

Dear Secretary Caton:

Enclosed please find an original and 4 copies of **corrected** pages, of the Comments of Patricia M. Worthy, in the above-referenced proceeding. I apologize for any administrative inconvenience this may cause.

Respectfully submitted,



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## SUMMARY

20. SHOULD THE COMMISSION USE SOME EXISTING MODEL TO DETERMINE THE DEGREE TO WHICH A SCHOOL IS DISADVANTAGED? WHICH ONE? WHAT, IF ANY MODIFICATIONS SHOULD THE COMMISSION MAKE TO THAT MODEL?

We caution the FCC not to rely **solely** on providing low-income consumers access to the telecommunications infrastructure through public schools and libraries because of federal, city, county and state budget constraints and thus, reduced resources.

71. SHOULD THE NEW UNIVERSAL SERVICE FUND PROVIDE SUPPORT FOR THE LIFELINE AND LINKUP PROGRAMS, IN ORDER TO MAKE THOSE SUBSIDIES TECHNOLOGICALLY AND COMPETITIVELY NEUTRAL? IF SO, SHOULD THE AMOUNT OF THE LIFELINE SUBSIDY STILL BE TIED, AS IT IS NOW, TO THE AMOUNT OF THE SUBSCRIBER LINE CHARGE?

We propose the establishment of a **national lifeline program** to assist low-income residential customers. The program would complement the existing Link-Up program. It would basically be a needs-based, automatically-instituted, flat-rate service. Need would be determined on the basis of qualifications or participation in one of the several federal or state benefit programs. We further propose that the lifeline program be restricted to heads of households with dependents for those individuals under the age of sixty-five (65).

The federal lifeline program would constitute national regulatory standards. **It would, however, allow a State or the District of Columbia, to adopt universal service regulations not inconsistent with the federal rules but that would allow States the flexibility to adopt rules that ensure additional benefits and opportunities to achieve and preserve universal service.**

The federal lifeline program would constitute, in some aspects, minimum national regulatory standards. It would, however, allow a State or the District of Columbia, to adopt *universal service* regulations not inconsistent with the federal rules and would allow States the flexibility to adopt rules that provide additional or increased benefits. In short, it would leave to the States the freedom to fashion regulatory policies and regulations that would ensure additional opportunities to achieve and preserve universal service in the new, competitive environment.

**Eligibility Criteria:**

We propose that heads of households with dependents, or individuals over the age of 65 that participate or qualify for any program such as Food Stamps, Aid to Families with Dependent Children, or the Low-Income Home Energy Assistance Program be *automatically* certified to participate in the program.<sup>17</sup>

**Proposed Services:**

Those services we propose to be available under the "Lifeline-America" program include (1) a flat-rate with a 120 free call allowance, (2) touchtone, (3) access and charges for emergency services, (4) access to Operator Services and a free 12 call per month usage allowance, (5) access to all available long distance carriers, (6) a white pages listings , plus a directory (business and residential), and (7) blocking for 900, 976 and 976-like services, as well as free toll restriction blocking.<sup>18</sup>

**Proposed Low-Income Rates:**

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<sup>17</sup> We thus concur with Comments filed by the Montana Public Service Commission (at p.5) and the New York State Department of Public Service (at p. 14).

<sup>18</sup> See Comments filed by the Staff of the Public Utilities Commission of Ohio at 4.

For example, as indicated in the Reply Comments filed by the D.C. PSC, experience in the District of Columbia is especially illustrative in light of the fact that it is the *only* purely urban jurisdiction for which statistically reliable data are available. Over the last 11 years, the District has had a telephone lifeline program called, Economy II, in an effort to improve the telephone penetration rate. That program currently offers a \$1.00 monthly basic rate and unlimited local calling for low income senior citizens and a \$3.00 monthly basic rate and 120 free call allowance for heads of households, under age 65, with dependents. Over the years, the rates have been adjusted as the telephone penetration rate changed. In the last few years, as the telephone penetration rate fell below 90%, the D.C. PSC supplemented the Economy II program with another program, called Message B, which enables customers to avoid disconnection by paying \$7.47 per month with a 60 free calls allowance in addition to a regular payment plan for any arrearages. Economy II customers on Message B pay the lower \$1.00 and \$3.00 Economy II rates as are applicable. Together, these programs have been successful in reaching over 17,000 households and in the telephone penetration rate rising to its current 92.5% level, but this is still below the national average of 93.8%. In the future, it will be even more imperative for the D.C. PSC to establish mechanisms to ensure the low-income customers in the District have an opportunity to participate in telecommunications advances. Other States will have similar needs.

## **CONCLUSION**

Patricia M. Worthy respectfully requests that the Federal-State Joint Board consider the recommendation to establish a national lifeline program for low-income customers.